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Canada/China Relations

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Survey of Relations

CANADA AND THE PEOPLE'S REPUBLIC OF CHINA

The increasing involvement of the People's Republic of China, following the Cultural Revolution, in contemporary international affairs is one of the most significant factors influencing international politics today. The 1970 review of Canada's external relations, Foreign Policy for Canadians, expressed "the hope that Canada would be able to make a contribution towards bringing China into a more constructive relationship with the world community", Canada's establishment of diplomatic relations with the People's Republic of China in 1970, our part in the assumption by Peking of China's seat in the United Nations, and the vigorous program of exchanges carried out over the past several years has been a contributing factor in the emergence of China from its earlier isolation.

While it is impossible to determine the exact measure of Canada's contribution to China's decision to become a major and responsible actor in international affairs, Canada's role can be considered a distinctive and important accomplishment of contemporary Canadian foreign policy. A remarkable degree of confidence has been established between the two countries given the limits that history, geography and differing political viewpoints impose.

Relations Prior to 1970

Canadian missionaries and merchants provided Canada's earliest contacts with China in the late 19th century. In 1906 the Canadian Government opened a Commercial Office in Shanghai.

Although a Chinese Consulate General was established in Ottawa, with offices in Vancouver, Toronto and Winnipeg, prior to 1909, an ambassadorial exchange was not agreed upon until 1941. It was not until April 1943 that a Canadian legation was established in China.

In April 1949 the People's Liberation Army entered the capital of the Nationalist Government, Nanjing. The Canadian Embassy in Nanjing closed in 1951 and the Canadian Consulate in Shanghai in 1952. This marked the end of Canada's old relationship with China.

During the following two decades Canada maintained no official relations with the People's Republic of China. The "Republic of China" maintained an embassy in Ottawa, but Canada as a matter of policy did not reciprocate in Taipei. While it was clear that the Peking Government was in effective control of the mainland and therefore met the classic test for recognition, the atmosphere of bitterness

which followed the outbreak of hostilities in Korea in 1950, and the fact that the authorities on Taiwan and the Peking Government both claimed to be the sole legal government of China, presented serious obstacles to successive Canadian Governments wishing to establish official relations with the People's Republic of China.

After 1960, China emerged as a major market for Canadian wheat despite opposition to sales to "Red China" in some quarters. Neither did contacts cease on a personal level: the list of Canadians visiting China between 1949 and 1970 includes Prime Minister Trudeau who visited China in 1960. The mystery of China continued to fascinate Canadians despite the lack of diplomatic relations.

Establishment of Diplomatic Relations

In 1968, Prime Minister Trudeau pledged, if elected, to review Canada's China policy and to initiate discussions with the People's Republic of China on the establishment of diplomatic relations. This decision reflected not only changed public perceptions of the China-recognition issue, but an interest in strengthening relations with the countries of Asia.

Talks between Canada and China, which began in Stockholm in February 1969, culminated in the joint communiqué of October 13, 1970. The primary stumbling block during the twenty months of negotiations was the issue of Taiwan. As a result of the negotiations, the Canadian Government recognized the Government of the People's Republic of China, while on the status of Taiwan the communiqué read: "The Chinese Government reaffirms that Taiwan is an inalienable part of the territory of the People's Republic of China, the Canadian Government takes note of this position of the Chinese Government". Canada's position was, and is, that the Canadian Government neither endorses nor challenges the Chinese Government's position regarding the sovereignty of Taiwan. This formula, or one similar to it, has been used since 1970 by many of the countries which followed Canada's lead in establishing relations with Peking.

The Issue of Taiwan

As a consequence of Canada's agreement to normalize relations with the PRC, diplomatic relations were severed with Taiwan, and all official contacts were terminated. The so-called "Republic of China" (Taiwan) continues to claim that it is the sole legal government of all China, but has suffered increasing diplomatic isolation since 1970. Though Canada has no official contacts with the

regime on Taiwan, private trade and "people-to-people" contacts continue between Canadians and Taiwanese.

At the United Nations

In 1966, instead of voting against the annual resolution proposed by Albania in the United Nations, which would have given the China seat to Peking and unseated Taipei, Canada shifted to an abstention. Following the establishment of diplomatic relations, Canada voted, in November 1970, for the seating of the People's Republic of China in the United Nations. Canada continues to support actively the participation of the PRC in governmental and other international organizations.

The Exchange of Ambassadors

In April 1971, the Secretary of State for External Affairs announced the appointment of Ralph Collins as first Ambassador of Canada to the People's Republic of China. Mr. Sharp also announced that the Canadian Government had given agrément to the appointment of Huang Hua, later to be to Canada. Both Mr. Huang and Mr. Collins are distinguished career diplomats.

Canada's present Ambassador in Peking is Michel Gauvin.

Ministerial Visits

During the years since the establishment of diplomatic relations with China and the exchange of ambassadors, a number of ministerial visits have taken place, starting in the summer of 1971 with an important delegation of Canadian officials and businessmen led by the Honourable Jean-Luc Pépin, the then Minister of Industry, Trade and Commerce. During Mr. Pépin's visit, a framework for Sino-Canadian economic cooperation was established providing for the exchange of missions, trade exhibitions and regular consultation on trade matters. Mr. Pépin also secured agreements from the Chinese to "consider Canada first" as a source of wheat to meet their domestic needs.

In October 1973, Prime Minister Trudeau visited China. During his tour, important bilateral agreements or understandings were reached in such areas as trade, consular affairs (family reunification) and scientific and cultural exchanges. The agreement on family reunification has made it possible for over twenty thousand Chinese to emigrate to Canada for the purpose of rejoining long-separated relatives.

Significant ministerial visits have taken place in other fields as well, namely foreign affairs (Hon. Mitchell Sharp in 1972, Honourable Don Jamieson in 1978 and Honourable Mark MacGuigan in 1981), petroleum (Honourable Donald McDonald 1973), science and technology (Honourable Jeanne Sauvé 1973 and Honourable John Roberts, 1981), wheat (Honourable Otto Lang 1977), trade (Honourable Jack Horner 1979), agriculture (Honourable Eugene Whelan in 1980), sports (Honourable Gerald Regan in 1982), health (Honourable Monique Bégin in 1982), defence (Honourable Gilles Lamontagne in 1983) and Communications (Honourable Francis Fox 1983). Ministerial visits are part of an ongoing programme of developing cooperation with China and will continue in a number of fields. On the Chinese side, a number of ministers and vice ministers have visited Canada, including Mr. Huang Hua as Foreign Minister in 1977, the Minister of Foreign Trade Mr. Li Qiang in October 1979, Vice-Premier Bo Yibo in 1980 and Mr. Wu Xueqian, State Councillor and Minister of Foreign Affairs in 1983.

Dr. Norman Bethune

One important Canadian figure has formed a continuing link between Canada and China: From January 1938 to November 1939, Dr. Norman Bethune, provided important medical services to the Chinese Eighth Route Army (the precursor of today's People's Liberation Army) in the war with Japan. Dr. Bethune was a prominent thoracic surgeon in Canada and held radical views concerning the organization of medical services, judged by the standards of time. In 1936 he organized the Canadian Mobile Blood Transfusion Service in Spain during the Civil War. After a brief return to Canada he went to China where he died in 1939 after contracting blood poisoning while performing an operation.

Mao Tse-tung wrote "In Memory of Norman Bethune" after the doctor's death. This tribute became one of the three most commonly read articles in China during the Cultural Revolution of the late 1960's. Consequently, Bethune has become one of the best-known non-Chinese historical figures in China today and Canada is now widely known there as the homeland of Norman Bethune. Dr. Bethune's birthplace in Gravenhurst, Ontario has been purchased and restored by the Federal Government. On August 30, 1976, a Vice Ministerial delegation from China attended the official opening of Bethune House as an historical site. In 1979 ceremonies were held in China and Canada to make the fortieth anniversary of the death of Norman Bethune. A Canadian delegation which included two of Dr. Bethune's nieces travelled to China as guests of the Chinese government to take part in the commemorative activities.

Exchange Programmes

Science and Technology

Significant advances have been made in scientific and technological cooperation with the PRC since 1973. Canadian scientific and technological missions have visited China with interests in such fields as agriculture, forestry, geology, fisheries, seismology, metrology, economics, oceanography and veterinary medicine to mention but a few. Chinese delegations to Canada have also covered many fields, for instance, petroleum, seismology, surface coal mining, laser research, forestry, fisheries, permafrost, biological insect control, surveying and mapping, and engineering. Though many fields remain to be explored, important exchanges of information have been facilitated by this programme, which is managed by the Department of External Affairs. Increasingly exchanges are being arranged directly between participating institutions rather than through official government channels as had been the case until recently; there are special Memoranda of Understanding, for example, in the fields of agriculture and forestry.

Medicine

Exchanges in the medical area have also been a sector of special interest in Sino-Canadian relations. A delegation from the Canadian Medical Association visited China in 1973, and out of their visit grew a programme of exchange. Under the Bethune Medical Exchange, Chinese doctors have, among other areas, studied neuro-physiology, urology and organ transplantation in Canada while Canadian doctors have studied acupuncture techniques.

Health Minister Begin's visit to China in September 1982 led to the identification of areas of bilateral cooperation in the medical field and included the signing of an agreement to support a twinning arrangement between the University of Toronto and the Sichuan Medical College and discussion of a Memorandum of Understanding between the PRC Ministry of Health and the Canadian Medical Research Council.

Culture and Sports

Culture and sports have also been key parts of the large Canada-Chinese exchange programme. Sports exchanges have included competitions in Canada and China by athletes in table tennis, badminton, basketball, swimming, gymnastics, volleyball, hockey, speedskating and water-skiing.

China's contributions to the cultural exchange programme were crowned by the Exhibition of Archaeological Finds of the People's Republic of China at the Royal Ontario Museum in Toronto from August to November 1974 and by the exhibition of ancient scientific inventions at the Ontario Science Centre in 1982. The 150 member Shanghai Ballet made a highly successful visit to Canada on its first tour of the West; in 1979 the Peking Opera troupe played to packed houses across the country as did the Wuhan Circus in 1982.

Canadian culture has also received commendable exposure in China, ranging from exhibitions of Eskimo art, landscape paintings and photography to performances by the Toronto Symphony Orchestra in Peking, Shanghai and Canton, a successful tour by the Canadian Brass Quintet, workshops given by noted Canadian dancers Celia Franca, Karen Kain and Frank Augustyn, and appearances by opera star Maureen Forrester and pianist Louis Lortie.

Education

In September 1973, a bilateral agreement was reached providing for the creation of an academic exchange programme. Since the inauguration of the programme, more than a hundred and fifty Canadian students have studied for two year terms in China and a larger number of Chinese students have studied English or French in Canada. Reciprocal exchanges of university professors have taken place, and for the past six years, Canadian teachers of English and French as a second language have worked on short-term assignments in China.

As a result of policy changes in China, greater emphasis has been placed on upgrading skills in the areas of science and technology, and a decision has been made to send abroad for further training large numbers of teachers and researchers. In June 1979, an arrangement was reached with the Chinese Ministry of Education for the placing of Chinese scholars in Canadian universities. (Under the terms of this arrangement, "Scholar" has been defined as a person pursuing research or studies for purposes other than attaining a university degree). The Council of Ministers of Education, of Canada, in cooperation with the provincial education authorities and other federal and provincial agencies was charged with the placement and language evaluation of the scholars in consultation with the academic community.

In addition to the special scholar programme, it was agreed that the Chinese Government could place undergraduates and post graduates in Canadian universities through normal channels. The Chinese Government agreed to facilitate access to Chinese institution of higher learning for Canadian scholars and students. Both sides agreed to encourage closer ties between their respective universities and colleges. In the four years since the signing of this agreement Canadian institutions have received over 1300 scholars and students from China.

Trade Relations

Under a trade agreement signed in 1973, extended for three-year terms in 1976, 1979 and 1982, Canada and China grant each other Most Favoured Nation trading status. In addition, an Economic Cooperation Protocol governing increased bilateral activity in a number of sectors was signed in 1979 as an addendum to the trade agreement.

Commercial relations with China are facilitated by the annual Canada/China Joint Trade Committee, which meets alternately in Ottawa and Peking. Large numbers of commercial delegations are also exchanged.

Beginning on a foundation of wheat sales, trade has grown substantially through the 1970's and in 1982 reached 1.433 billion. There have been recurrent surpluses in Canada's favour: in 1982 exports to China amounted to 1.229 billion out of the above total. Textiles form the largest sector in China's exports to Canada, and many items in this category are under restraint, but since January 1, 1980 some other Chinese products have received General Preferential Tariff treatment. Wheat, minerals and metals, wood products and potash head the list of Canadian exports, while imports, besides textiles, include agricultural products, handicrafts and household furnishings.

Recently, efforts have focused on China's drive to modernize, drawing in part on foreign technology and foreign credits. To this end, the Export Development Corporation has concluded an agreement in principle to extend \$2 billion line of credit to China to support the purchase of Canadian services and equipment. Private Canadian banks have also extended facilities to the Bank of China for import financing.

The Canada-China Trade Council was founded in June 1978 to assist Canadian businessmen, both exporters and importers, in doing business with China. Private sector initiatives in conjunction with ministerial level missions

and other government supported activities, are part of a continuing effort to expand the commercial relationship between Canada and China.

Near-term opportunities for Canada in the Chinese market appear more promising than they have in recent years, when readjustment policies greatly affected China's capital goods imports. With recent improvements in fiscal situation and the recognition that there exist significant infrastructure difficulties which hamper modernization, the Chinese are expected in the coming years to devote significant resources to energy, transport and communications, natural resource exploitation and selective industrial modernization. This should present opportunities for Canadian suppliers of hydro power equipment, oil and gas equipment, ports design and equipment, communications equipment especially in telecommunications, micro-systems and earth stations sectors, aircraft and ground support for airport installations, mining and forestry equipment, agricultural machinery and high-technology manufacturing processes.

Development Assistance

Aid by the Canadian International Development Agency (CIDA) to China began in the winter of 1981-82 with the donation of \$4 million worth of wheat to the relief of flood and drought-stricken areas of Hebei and Hubei provinces. Since that time, the Agency has negotiated a full program of development assistance concentrating on agriculture, forestry, energy, and human resources (including language training and sponsorship of university exchanges in fields such as medicine and management). Emphasis is being placed on training and technical assistance rather than capital programs and the growth of expenditures is expected to be gradual. A formal Development Cooperation Agreement was negotiated in mid-1983.

Family Reunification

Emigration of Chinese residents to Canada takes place under the Family Reunification Agreement signed in 1973. As the name suggests, a close family relationship must be demonstrated for the emigration to be permitted. The early years of the program saw a fairly small number of cases, but political and other factors in the second half of the last decade led to a surge in Canadian immigrants from the PRC which peaked in 1981 at over 6000 before dropping the next year to about 2500; the total to the end of 1982 is about 26000. In addition to these permanent residents, visas have also been granted recently to over 1000 Chinese

annually for entry to study or in a few cases to work (eg. specialized Chinese chefs).

Provincial Relations and Twinning

Canadian provinces have become increasingly involved in Canada-China relations over the past few years, often in conjunction with PRC provinces sharing similar economic and cultural interests. Alberta and China's northeasternmost province of Heilongjiang, for example, have signed a twinning agreement and Premier Lougheed this fall returned an earlier visit by his counterpart, Governor Chen Lei. Saskatchewan, Ontario, Quebec and British Columbia (among other provinces) have also had extensive contacts with China in the fields of trade, sports, education, etc. The phenomenon of "twinning" or establishing close cooperative relations with an equivalent organization or government unit, also exists below the provincial level, for example the linking of the two garden cities of Victoria, B.C. and Suzhou, Jiangsu Province, and the understanding between Guelph and Beijing Agricultural Universities.

Media

The interest of the Canadian public in China has been promoted by the establishment of a small but active Canadian press community in Peking. At the present time, three of the four resident Canadian correspondents in Asia are based in Peking, one from the Globe and Mail (which has operated a bureau in Peking since 1959) one from the CBC and the other from CTV. The New China News Agency has two correspondents in Ottawa.

Conclusion

Although Canada no longer enjoys in Chinese eyes the special position which immediately followed recognition in 1970, Canada continues to be a country on which China focuses much attention. The positive efforts made by Canada toward bringing China into full participation in the international community since 1970, and the contributing factors that pre-dated recognition, have created a solid base of goodwill upon which to build. The prospects for future cooperation in trade, political, cultural and other fields are promising as both sides work to expand relations on a basis of mutual respect and benefits.

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